



# **MURANG'A UNIVERSITY OF TECHNOLOGY**

## **SCHOOL OF HOSPITALITY AND TOURISM**

DEPARTMENT OF HOSPITALITY, TRAVEL AND TOURISM

UNIVERSITY ORDINARY EXAMINATION

2023/2024 ACADEMIC YEAR

FIRST YEAR SECOND **SEMESTER** EXAMINATION FOR MASTER OF

SCIENCE IN HOSPITALITY MANAGEMENT

MTH 516: - FINANCIAL MANAGEMENT

DURATION: 3 HOURS

### **INSTRUCTIONS TO CANDIDATES:**

1. Answer any FOUR questions.
2. Mobile phones are not allowed in the examination room.
3. You are not allowed to write on this examination question paper.

**SECTION A: ANSWER ALL QUESTIONS IN THIS SECTION**

**QUESTION ONE (25 MARKS)**

No business can survive without working capital. Discuss the role of working capital to a business entity.

**QUESTION TWO (25 MARKS)**

Discuss the various sources of special financing to a business which is in operation

**QUESTION THREE (25 MARKS)**

Capitalization is one of the most important parts of financial decision which is related to total amount of capital employed in the business concern. Discuss.

**QUESTION FOUR (25 MARKS)**

Discuss the following as related to dividend

- a. Meaning of dividend
- b. Types of dividends
- c. Factors determining dividend policy
- d. Types of dividend policy

**QUESTION FIVE (25 MARKS)**

Discuss five sources of finance for a new business venture for a business that is in operation.